

## Recording Salaries and Benefits

Salary expenditures are generally more efficiently posted by total from the payroll payment order, or a similarly titled listing, which is an itemized, detailed list of individual salaries for a particular payroll. A summary of amounts to be charged to the various expenditure classifications is needed for this procedure. (See the "California School District Payroll Payment Order" on page 402–4.)

In rare situations, such as in the accounting of salaries for a one- or two-teacher school, individual salaries paid might be entered directly in the General Journal.

*Preparing the journal entry.* The journal entry to record payroll payments lists the General Ledger and subsidiary ledger accounts and the amounts for each, as shown in the following example:

<i>Date</i>	<i>Account</i>	<i>Debit</i>	<i>Credit</i>
7-31-92	9850 Expenditures	\$40,275.00	
	9110 Cash in County Treasury		\$40,275.00
<i>Account</i>	<i>Appropriation</i>		
1100	Teachers' Salaries.....		\$32,000.00
1200	School Administrators' Salaries .....		1,600.00
1300	Supervisors' Salaries.....		2,000.00
1600	Physical and Mental Health Salaries.....		125.00
1800	Other Administrative Salaries .....		800.00
2200	Administrative Salaries.....		250.00
2300	Clerical Salaries.....		650.00
2400	Maintenance and Operations Salaries.....		2,850.00
			<u>\$40,275.00</u>
To record expenditures for payroll listing number 1 for July 1992			

*Posting the General Ledger.* The journal entry for payroll expenditures is posted to the General Ledger in the same manner as previous entries, as shown in the following example:

Account 9850		Expenditures		Page 1	
<i>Date</i>	<i>Reference</i>	<i>Debit</i>	<i>Credit</i>	<i>Balance</i>	<i>Dr/Cr</i>
7-31-92	J__	\$40,275.00		\$40,275.00	Dr

<i>Date</i>	<i>Reference</i>	<i>Debit</i>	<i>Credit</i>	<i>Balance</i>	<i>Dr/Cr</i>
7-1-92	J1	\$100,042.67		\$100,042.67	Dr
7-1-92	J__		\$40,275.00	59,767.67	Dr

Note that the posting to the cash account is a credit entry that deducts from the previous balance to give a new debit balance of \$59,767.67.

*Posting the Appropriation Ledger.* Entries in the subsidiary Appropriation Ledger are made in the "Expended" column in each case, as shown in the following example:

### Appropriation Ledger

<i>Date</i>	<i>Refer- ence</i>	<i>Appropriation</i>	<i>Encumbrances</i>	<i>Encumbered to Date</i>	<i>Expended</i>	<i>Expended to Date</i>	<i>Unen- cumbered Balance</i>
7-1-92	J14	\$360,000.00	\$ 3,400.00	\$359,200.00			\$ 800.00
7-31-92	J18	360,000.00	-32,000.00	327,200.00			32,800.00
7-31-92	J__	360,000.00		327,200.00	\$32,000.00	\$32,000.00	800.00

Note that the "Appropriation," "Encumbered to date," and "Expended to date" columns are carried forward with each posting.

Entries in the Program Ledger are posted by object classification in the appropriate columns in the program ledgers and then subtotaled on the object of expenditure card in the Appropriation Ledger.

The total postings to the Program Ledger for the object classification (Teachers' Salaries) will amount to \$32,000, which can be subtotaled in the Appropriation Ledger. (See "Program Ledger, Program A" on page 402-4.)

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California School District Payroll Payment Order				
<i>Employee name</i>	<i>Warrant number</i>	<i>Occupation or title</i>	<i>Expenditure classification</i>	<i>Period ending</i>
Abbott, Ellen .....	2200	Teacher.....	1100	7-31-92
Adams, George.....	2201	Custodian.....	2400	
Allen, Rose.....	2202	Teacher.....	1100	
Arnold, Robert.....	2203	Teacher.....	1100	
Ashworth, James .....	2204	Assistant Superintendent.....	1700	
Bailey, John .....	2205	Teacher.....	1100	
Banner, Roger.....	2206	Principal .....	1200	
Boyd, Alice.....	2207	Secretary.....	2300	
Brown, Thomas.....	2208	Teacher.....	1100	
Carter, Mabel.....	2209	Teacher.....	1100	
Cross, Arthur.....	2210	Custodian.....	2400	
Curran, Jane.....	2211	Teacher.....	1100	
Totals.....				7-31-92
Expenditure classification summary			1100	7-31-92
.....			1200	
.....			1700	
.....			2300	
.....			2400	

\*Totals are for demonstration purposes only; columns do not foot.

## Program Ledger, Program A

### Account

<i>Date</i>	<i>Reference</i>	<i>Description</i>	<i>Encumbrances</i>		<i>Certificated salaries and benefits</i>	<i>Classified salaries and benefits</i>
			<i>Reserved</i>	<i>Cancelled</i>		
7-1-92	J3	Budget appropriation (may be memorandum only)	(Optional)		\$32,700	\$4,300
7-31-92	PJ	July payroll—teachers' salaries			1,800	

<b>California School District Payroll Payment Order (Continued)</b>					
<i>Gross earnings</i>	<i>Social security</i>	<i>Retirement</i>	<i>Withholding tax</i>	<i>Other</i>	<i>Net pay</i>
\$500.00		\$40.00	\$80.00	\$21.00	\$359.00
350.00	\$ 9.00	21.00	18.00	12.00	290.00
475.00		35.00	68.00	16.50	355.50
550.00		48.00	60.00	25.00	417.00
900.00		70.00	150.00	28.00	652.00
580.00		50.00	75.00	22.50	432.50
750.00		62.00	90.00	26.00	572.00
300.00	7.50	16.00	21.00	12.00	243.50
530.00		45.00	61.00	18.00	406.00
500.00		42.00	65.00	24.00	360.00
375.00	10.00	22.50	12.00	18.50	312.00
475.00		38.00	60.00	21.00	355.50
\$6,285.00*	\$26.50*	490.00*	\$760.00*	\$244.50*	\$4,764.00*
3,610.00					
750.00					
900.00					
300.00					
725.00					
6,285.00					

**Program Ledger, Program A (Continued)**

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Appropriation: \$32,000.00

<i>Books, supplies, and equipment replacement</i>	<i>Contracted services and other</i>	<i>Capitol outlay</i>	<i>Available balance</i>	<i>Direct support charges</i>
\$2,500	\$1,500	\$1,000	\$32,000 30,200	\$1,600

